



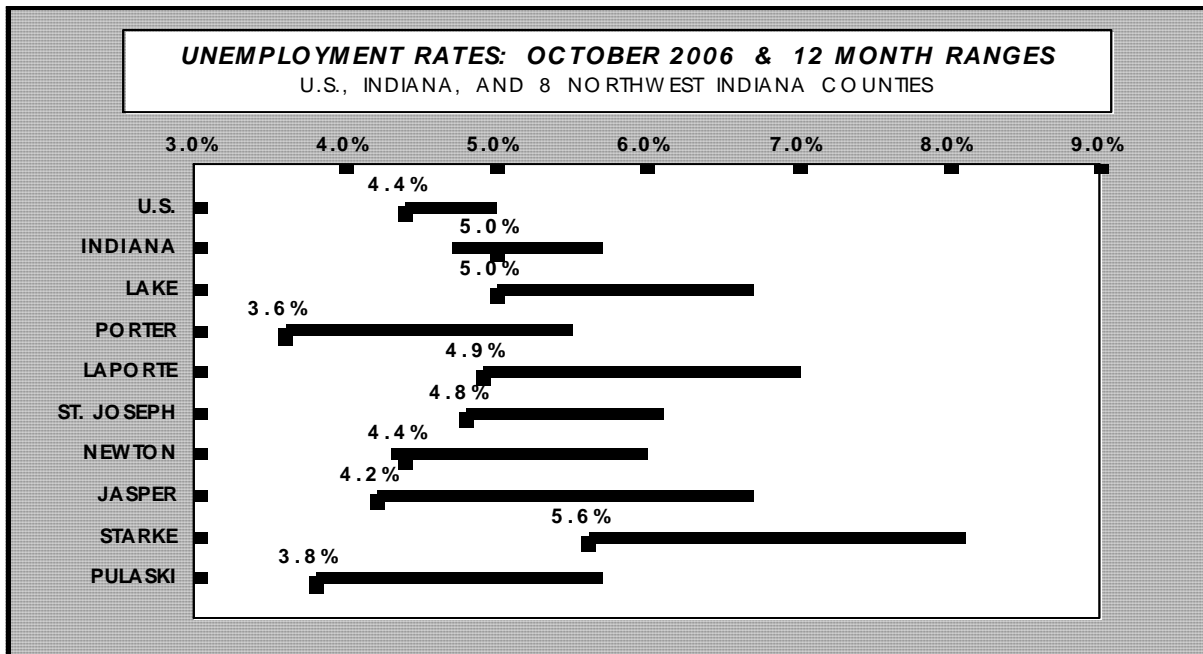
Labor Market Review

DECEMBER 2006

NORTHWEST INDIANA EDITION

UNEMPLOYMENT RATES					LABOR FORCE TOTALS		
Area	Unemp Rate Oct 2006	Rank Hi-Lo 1to92	Unemp Rate Yr Ago	Oct 05 to Oct 06 (up/dn)	Total Labor Force	Number Employed	Number Unemployed
U.S.*	4.4%		4.9%	dn 0.5	152,397,000	146,125,000	6,272,000
Indiana*	5.0%		5.4%	dn 0.4	3,282,000	3,131,500	150,500
Lake	5.0%	35	5.5%	dn 0.5	231,260	219,620	11,640
Porter	3.6%	82	4.1%	dn 0.5	82,140	79,170	2,970
LaPorte	4.9%	38	5.4%	dn 0.5	55,160	52,430	2,730
St. Joseph	4.8%	40	4.7%	up 0.1	138,370	131,790	6,580
Newton	4.4%	53	5.3%	dn 0.9	7,300	6,975	325
Jasper	4.2%	60	4.6%	dn 0.4	15,520	14,870	650
Starke	5.6%	14	6.1%	dn 0.5	10,810	10,210	600
Pulaski	3.8%	79	4.5%	dn 0.7	7,220	6,945	275

Notes: Oct. 2006 data is preliminary, rounded, & was released Nov. 22, 2006. Data are estimates using federal procedures. Degree of accuracy will vary. * Seasonally adjusted. Data for ranges in the chart below have been updated and revised to the 2006 Benchmark. **The more recent U.S. unemployment rate for Nov 2006 was 4.5%, seasonally adjusted.**



NON-FARM EMPLOYMENT IN INDIANA

Employment estimates for nonfarm industries are derived from a monthly survey of over 7,700 Indiana employing establishments and include full-time and part-time wage and salaried workers. Current month estimates may be revised slightly if additional data received in the following month warrants a change and may be revised when new benchmarks are constructed annually. Industry employment is coded under the 2002 North American Industry Classification System (NAICS).

NON-FARM EMPLOYMENT ESTIMATES**GARY, IN, METRO DIVISION (LAKE/ PORTER/ JASPER/ NEWTON COUNTIES)**

INDUSTRY	NOV 2006	OCT 2006	NOV 2005	CHANGE FROM			
				OCT 2006 TO NOV 2006		NOV 2005 TO NOV 2006	
TOTAL NONFARM EMPLOYMENT	282,400	281,800	281,300	600	0.2%	1,100	0.4%
Total Private Employment	240,900	240,400	239,700	500	0.2%	1,200	0.5%
GOODS PRODUCING	57,600	57,700	58,200	-100	-0.2%	-600	-1.0%
Natural Resources & Construction	500	500	500	0	0.0%	0	0.0%
---Construction	20,000	19,900	19,900	100	0.5%	100	0.5%
Manufacturing	37,100	37,300	37,800	-200	-0.5%	-700	-1.9%
---Durable Goods	29,300	29,500	30,000	-200	-0.7%	-700	-2.3%
Primary Metal Mfg	18,100	18,200	18,500	-100	-0.5%	-400	-2.2%
Iron and Steel Mills	16,500	16,600	16,900	-100	-0.6%	-400	-2.4%
SERVICE PRODUCING	224,800	224,100	223,100	700	0.3%	1,700	0.8%
Private Service Providing	183,300	182,700	181,500	600	0.3%	1,800	1.0%
---Trade,Transportation, Utilities	62,200	61,000	61,100	1,200	2.0%	1,100	1.8%
Wholesale Trade	10,500	10,500	10,300	0	0.0%	200	1.9%
Retail Trade	36,900	35,700	35,900	1,200	3.4%	1,000	2.8%
General Merch Stores	7,600	7,200	7,400	400	5.6%	200	2.7%
Other Gen Merch Stores	3,700	3,500	3,700	200	5.7%	0	0.0%
Transp/Warehousing/Utilities	14,800	14,800	14,900	0	0.0%	-100	-0.7%
---Information	2,300	2,300	2,400	0	0.0%	-100	-4.2%
---Financial Activities	9,900	9,900	10,000	0	0.0%	-100	-1.0%
---Professional & Business	23,500	23,700	23,300	-200	-0.8%	200	0.9%
Admin/Support/Waste Svcs	12,400	12,500	13,200	-100	-0.8%	-800	-6.1%
Employment Services	5,200	5,400	4,900	-200	-3.7%	300	6.1%
---Educational & Health	42,000	42,000	41,700	0	0.0%	300	0.7%
Educational Services	7,100	7,000	7,000	100	1.4%	100	1.4%
Health Care/Social Assist.	35,100	34,900	34,700	200	0.6%	400	1.2%
Med/Surgical Hospitals	11,200	11,200	11,300	0	0.0%	-100	-0.9%
---Leisure & Hospitality	30,600	31,000	30,400	-400	-1.3%	200	0.7%
Arts/Entertainment/Rec'n	8,500	8,700	8,200	-200	-2.3%	300	3.7%
Food Svcs / Drinking Places	20,800	20,900	20,700	-100	-0.5%	100	0.5%
---Other Services	12,800	12,800	12,600	0	0.0%	200	1.6%
Government	41,500	41,400	41,600	100	0.2%	-100	-0.2%
---Federal Government	2,100	2,100	2,100	0	0.0%	0	0.0%
---State Government	4,500	4,400	4,700	100	2.3%	-200	-4.3%
---Local Government	34,900	34,900	34,800	0	0.0%	100	0.3%
Education	18,900	18,800	18,900	100	0.5%	0	0.0%

-- NATURAL RESOURCES AND MINING EMPLOYMENT SHOWN ONLY IN TOTAL NONAGRICULTURAL, PRIVATE & GOODS PRODUCING

-- CONSTRUCTION EMPLOYMENT SHOWN ONLY IN TOTAL NONAGRICULTURAL, PRIVATE & GOODS PRODUCING

-- EMPLOYMENT DATA ROUNDED TO THE NEAREST HUNDRED AND THUS MAY NOT ADD TO THE TOTAL SHOWN

-- GARY METROPOLITAN DIVISION OF THE CHICAGO CSA EQUALS LAKE, PORTER, JASPER, AND NEWTON COUNTIES

NON-FARM EMPLOYMENT IN INDIANA

Employment estimates for nonfarm industries are derived from a monthly survey of over 7,700 Indiana employing establishments and include full-time and part-time wage and salaried workers. Current month estimates may be revised slightly if additional data received in the following month warrants a change and may be revised when new benchmarks are constructed annually. Industry employment is coded under the 2002 North American Industry Classification System (NAICS).

NON-FARM EMPLOYMENT ESTIMATES MICHIGAN CITY - LAPORTE MSA (LAPORTE COUNTY)

INDUSTRY	NOV 2006	OCT 2006	NOV 2005	CHANGE FROM			
				OCT 2006 TO NOV 2006		NOV 2005 TO NOV 2006	
TOTAL NONFARM EMPLOYMENT	48,500	48,500	47,900	0	0.0%	600	1.3%
Total Private Employment	40,600	40,500	40,300	100	0.2%	300	0.7%
GOODS PRODUCING	12,000	12,000	12,100	0	0.0%	-100	-0.8%
Natural Resources & Construction	2,400	2,400	2,500	0	0.0%	-100	-4.0%
Manufacturing	9,600	9,600	9,600	0	0.0%	0	0.0%
SERVICE PRODUCING	36,500	36,500	35,800	0	0.0%	700	2.0%
Private Service Providing	28,600	28,500	28,200	100	0.4%	400	1.4%
---Trade,Transportation, Utilities	9,400	9,200	9,400	200	2.2%	0	0.0%
Wholesale Trade	1,300	1,300	1,300	0	0.0%	0	0.0%
Retail Trade	6,200	6,000	6,100	200	3.3%	100	1.6%
Transp/Warehousing/Utilities	1,900	1,900	2,000	0	0.0%	-100	-5.0%
---Information	700	700	700	0	0.0%	0	0.0%
---Financial Activities	1,300	1,300	1,300	0	0.0%	0	0.0%
---Professional & Business	2,900	2,900	2,900	0	0.0%	0	0.0%
---Educational & Health	6,900	6,900	6,600	0	0.0%	300	4.5%
---Leisure & Hospitality	5,600	5,700	5,500	-100	-1.8%	100	1.8%
---Other Services	1,800	1,800	1,800	0	0.0%	0	0.0%
Government	7,900	8,000	7,600	-100	-1.3%	300	3.9%
---Federal Government	200	200	200	0	0.0%	0	0.0%
---State Government	2,800	2,900	2,700	-100	-3.4%	100	3.7%
---Local Government	4,900	4,900	4,700	0	0.0%	200	4.3%
Education	2,900	2,900	2,700	0	0.0%	200	7.4%

-- NATURAL RESOURCES AND MINING EMPLOYMENT SHOWN ONLY IN TOTAL NONAGRICULTURAL, PRIVATE & GOODS PRODUCING

-- CONSTRUCTION EMPLOYMENT SHOWN ONLY IN TOTAL NONAGRICULTURAL, PRIVATE & GOODS PRODUCING

-- EMPLOYMENT DATA ROUNDED TO THE NEAREST HUNDRED AND THUS MAY NOT ADD TO THE TOTAL SHOWN

-- MSA - METROPOLITAN STATISTICAL AREA (MICHIGAN CITY-LAPORTE MSA = LAPORTE COUNTY)

EMPLOYER COSTS FOR EMPLOYEE COMPENSATION

The U.S. Labor Department's Bureau of Labor Statistics has recently released their news release on costs to employers for employee compensation. The following is from this news release.

All U.S. civilian workers

The U.S. Department of Labor's Bureau of Labor Statistics reported employer costs for employee compensation averaged \$27.31 per hour worked in September 2006. Wages and salaries, which averaged \$19.12, accounted for 70 percent of these costs, while benefits, which averaged \$8.18, accounted for the remaining 30 percent. Employer costs for insurance benefits - life, health, and disability - averaged \$2.22 per hour (8.1 percent of total compensation). Legally required benefits, including Social Security, Medicare, unemployment insurance, and workers' compensation, averaged \$2.19 per hour (8.0 percent of total compensation); paid leave benefits (vacations, holidays, sick leave, and other leave) averaged \$1.91 (7.0 percent); and retirement and savings benefits averaged \$1.18 (4.3 percent) per hour worked.

Private industry

In September 2006, private industry employer compensation costs averaged \$25.52 per hour worked. Wages and salaries averaged \$18.04 per hour (70.7 percent), while benefits averaged \$7.48 (29.3 percent). Employer costs for legally required benefits averaged \$2.18 (8.6 percent) per hour worked, insurance benefits averaged \$1.89 (7.4 percent), paid leave averaged \$1.73 (6.8 percent), retirement and savings averaged 93 cents (3.6 percent), and supplemental pay averaged 75 cents (2.9 percent).

Compensation costs in state & local gov't

In September 2006, employer costs in state and local governments averaged \$37.91 per hour worked. Wages and salaries, which accounted for 67.3 percent of the total, averaged \$25.53, while benefits, which accounted for the remaining 32.7 percent, averaged \$12.38. Benefit costs increased from 31.4 percent of total compensation and \$10.89 per hour for state and local government workers in September 2004.

Among state and local government employees, average hourly compensation costs industry, bargaining status, region, and establishment size were higher for management, professional, and related occupations (\$46.66) than for service occupations (\$28.72) and sales and office occupations (\$25.85). Wages and salaries averaged \$32.96 per hour worked for management, professional, and related occupations; \$17.48 for service occupations; and \$16.03 for sales and office occupations. Wages and salaries accounted for about the same proportion of total compensation for service employees (60.9 percent) and sales and office employees (62.0 percent); for management, professional, and related employees, wages and salaries represented a significantly higher proportion of total compensation (70.6 percent).

For state and local government employees, employer costs for insurance benefits ranged from \$3.45 per hour, or 12.0 percent of total compensation for service occupations, to \$4.57 per hour worked, or 9.8 percent of total compensation for management, professional, and related occupations. For sales and office occupations, employer insurance costs averaged \$3.96, or 15.3 percent of compensation. The largest component of insurance costs was health insurance, which averaged \$4.05, or 10.7 percent of total compensation for state and local government employees. Health insurance costs in September 2004 were \$3.49 and 10.0 percent of total compensation.

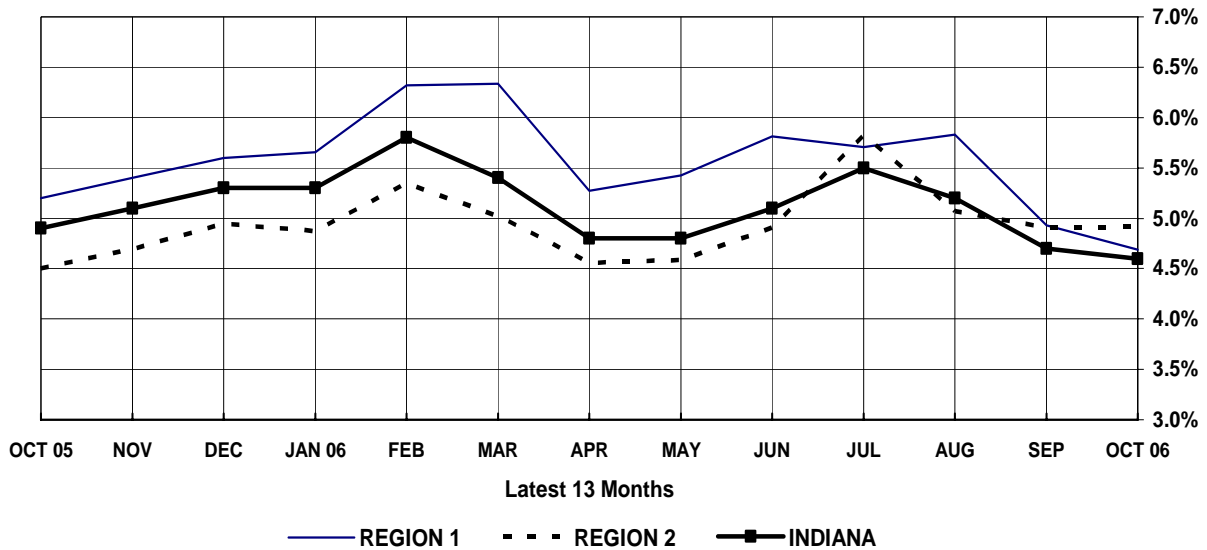
The average cost for retirement and savings benefits was \$2.68 per hour worked in state and local governments (7.1 percent of total compensation). Included in this amount were employer costs for defined benefit plans, which averaged \$2.39 per hour (6.3 percent), and defined contribution plans, which averaged 29

cents (0.8 percent). Defined benefit costs were \$1.97 per hour and 5.7 percent of total compensation in September 2004. Defined benefit plans specify a formula for determining future benefits, while defined contribution plans specify employer contributions but do not guarantee future benefits.

Further information from this BLS report including data tables can be accessed via the report table of contents links which are listed at the following Internet address: <http://www.bls.gov/news.release/eccec.toc.htm>

REGIONAL UNEMPLOYMENT RATES*

Region 1, Region 2, & Indiana



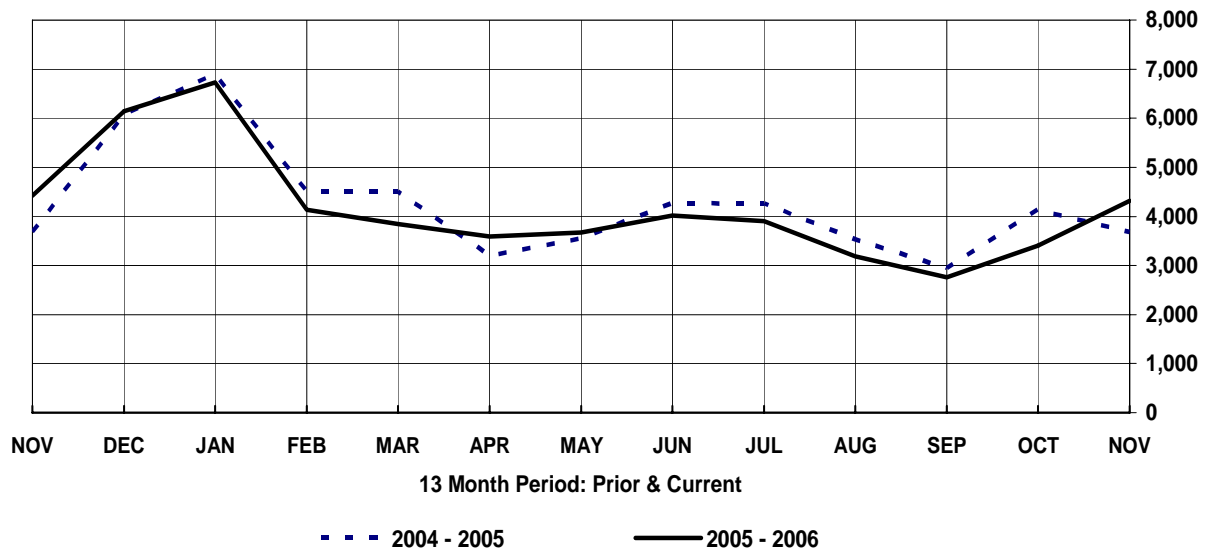
* Unemployment rates are not seasonally adjusted

Notes: Region 1 consists of Indiana Counties Lake, Porter, LaPorte, Newton, Jasper, Starke, & Pulaski

Region 2 consists of Indiana Counties St. Joseph, Elkhart, Marshall, Kosciusko, & Fulton

INITIAL CLAIMS FOR UNEMPLOYMENT BENEFITS

Region 1 Unemployment Benefit Offices



Note: Region 1 unemployment benefits offices are in the cities of Hammond, Gary, and LaPorte